

NaBFID Code on Prohibition of Insider Trading

Version 1.0

April 2023

Annexure A**Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)**

This code is called NaBFID Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (this “Code”) and has been framed based on the principles of fair disclosure outlined in the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time (“Regulations”).

A. Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)

The Deputy Managing Director - Chief Financial Officer shall be designated ‘Chief Investor Relations Officer’ (CIRO) for the purpose of this Code and Schedule A of the SEBI (Prohibition of Insider Trading) Regulations, 2015. CIRO shall deal with the dissemination of information and disclosure of Unpublished Price Sensitive Information.

In the temporary absence of the CIRO for any reason whatsoever, the Managing Director shall nominate any other senior official of NaBFID to be responsible for dissemination of information and disclosure of UPSI.

1. The practices and procedures to ensure fair disclosure of material events and/ or UPSI relating to NaBFID, to the public, are as under:
 - a. Prompt disclosure shall be made by NaBFID of any event/information, which is considered to be material in nature. The materiality of such event / information shall be ascertained by the Managing Director.
 - b. Any event/ information that could have a material impact on the price of securities of NaBFID shall be promptly disclosed to the Stock Exchange where its shares/ securities are listed, no sooner than credible and concrete information in respect of such event/ information comes into being, in order to ensure details of such events / information, is generally available. Such disclosure would be made by Officers duly authorized for the said purpose, subject to receipt of requisite internal approvals.
 - c. Uniform and universal dissemination of UPSI would be ensured by NaBFID by adopting a common platform i.e. Stock Exchange for public disclosure. Once the UPSI is communicated to the Stock Exchange as aforesaid, then other medium of dissemination may be used to ensure such information is made accessible to the public on a non-discriminatory basis.
 - d. In the unlikely event of any material UPSI being disclosed selectively, inadvertently or otherwise, at any forum, whether in India or abroad, NaBFID, shall take effective steps to promptly disseminate such UPSI, to the Stock Exchange, for public disclosure.
 - e. In case any clarification sought by the Statutory/ Regulatory Authorities or Stock Exchange in respect of rumors / news reports relating to NaBFID, NaBFID shall endeavor to provide an appropriate response by accepting / denying / clarifying the same.

- f. NaBFID would make a public disclosure with respect to any matter only after it has taken a concrete or definitive decision. Accordingly, NaBFID shall not make any public disclosures in case where any proposal is in progress, or there are impending negotiations or where requisite approvals is awaited from any statutory/ regulatory authority or where such disclosure would not be appropriate or where it could prejudice NaBFID's interest.
 - g. Any information that is classified as UPSI shall be dealt with on a need-to-know basis and shall be communicated or procured only for furtherance of a legitimate purpose or performance of duties or discharge of legal obligations.
2. The Policy for Determination of "Legitimate Purposes", in terms of Regulation 3 (2A) of the Regulations, is as under:

"Legitimate Purpose" shall include sharing of unpublished price sensitive information in the ordinary course of business by an Insider with partners, collaborators, lenders, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants, provided that such sharing has not been carried out to evade or circumvent the prohibitions of the Regulations.

UPSI may be shared with any person who has been authorized to receive such information by the Managing Director / Deputy Managing Directors in this regard, in furtherance of performance of duties, discharge of legal obligations, or in furtherance of "legitimate purposes", which term shall include the following:

- a. Sharing of UPSI in the ordinary course of business by an Insider, inter alia, with partners, collaborators, lenders, borrowers, customers, suppliers, merchant bankers, legal advisors, auditors, insolvency professionals or other advisors or consultants;
- b. Sharing of UPSI in good faith for any other genuine or reasonable purpose as may be determined by the Managing Director/Deputy Managing Directors
- c. Sharing of UPSI for any other purpose as may be prescribed under any applicable law for the time being in force, in this behalf, as may be amended from time to time.
- d. Any person in receipt of such UPSI pursuant to a "legitimate purpose" shall be considered as an "insider" in terms of Regulation 3 (2B) of the Regulations and due notice shall be given to such person(s) with regard to their obligation to maintain confidentiality of such UPSI, in compliance with the Regulations.
- e. Sharing of UPSI for any other purpose as may be prescribed under any applicable law for the time being in force, in this behalf, as may be amended from time to time. Provided that such sharing should not be carried out to evade or circumvent the Regulations.

3. Structured Digital Database:

In terms of Regulation 3(5) of the Regulations, NaBFID shall maintain a Structured Digital Database (SDD) containing the name of such persons or entities as the case may be, with whom UPSI relating to NaBFID has been shared under the Regulations for legitimate purpose and in the ordinary course of the business. Structured Digital Database shall contain the following information:

- (i) In case of individuals: Details such as name of the recipient of UPSI, name of the organization with which he or she is affiliated (if applicable), e-mail ID and Permanent Account Number or in its absence, any other identifier authorized by law, of such persons; and

- (ii) In case of entities: Details such as name of the entity, name of all natural persons associated with the entity having reasonable access to the UPSI and Permanent Account Number of such entity and any natural person associated with the entity or in its absence any other identifier authorized by law. Such database shall be maintained with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.

4. Amendments in the Law:

Any subsequent amendment/modification in the SEBI Regulations and/or Listing Regulations and/or other applicable laws in this regard shall automatically apply to this Policy.